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AUG 09 2012

DEPARTMENT OF  
WATER RESOURCES

TELEPHONE  
(208) 726-4421  
FACSIMILE  
(208) 726-0752

SPECK & AANESTAD  
A PROFESSIONAL CORPORATION  
ATTORNEYS

120 EAST AVENUE  
POST OFFICE BOX 987  
KETCHUM, IDAHO 83340

JAMES P. SPECK  
jim@speckandaanestad.com  
DOUGLAS J. AANESTAD  
doug@speckandaanestad.com

August 7, 2012

Upper Wood Rivers Water Measurement District  
ATTN: Rob Struthers  
P.O. Box 676  
Picabo, ID 83348

**RE: *Sagewillow LLC / Water Right No. 37-20900***

Dear Rob:

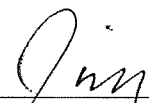
I represent Sagewillow LLC, the owner of Water Right No. 37-20900. Enclosed you will find the Measurement Plan for this water right, together with a copy of the July 24, 2012 letter from the Idaho Dept. of Water Resources accepting the lease of this water right to the Water Supply Bank.

The well will not be used to divert this water right while it is leased to the Water Supply Bank. However, the well is shared with The Community School so it is certainly possible that an appropriate measuring device will be installed to monitor and measure The Community School's water rights.

Please call me right away if you have any questions. Thank you.

Sincerely yours,

SPECK & AANESTAD  
A Professional Corporation

By:   
James P. Speck

Enclosures

CC w/ Enclosures: Client  
Tim Luke, IDWR  
Ed Dumke, Jr.

UPPER WOOD RIVERS WATER MEASUREMENT DISTRICT  
MEASUREMENT PLAN SUBMITTAL FORM FOR NON-IRRIGATION AND  
IRRIGATION GREATER THAN 5 ACRES

*Please fill out a form for each well, plans are due by May 1, 2012 for wells with irrigation use greater than 5 acres and/or non-irrigation uses with diversion rates greater than 0.24 cfs*

Well Name: The Community School - Sagewillow  
IDWR Metal site tag: \_\_\_\_\_ (if applicable ex. A0001700)  
Legal description of well: T.4N., R.18E., SEC 16, NWSW (ex. 01N 20E sec 30 SWSW)  
Owner/Operator: The Community School  
Measurement District Account #: 10422 (Sent on assessments by UWRWMD)

Check one of the following measurement options for this well:

*Please note: this plan must be approved before you install a flow meter or use any alternate measurement method.*

A. Is this well used for irrigation ☒ yes ☐ no

If yes how many acres 30 (Plans are not due until April 1, 2013 for wells with irrigation of 5 acres or less)

If no please describe the different use (Example: stock water, commercial, domestic)

B. I plan to install a magnetic flow meter on my well pursuant to IDWR's Order and criteria: \_\_\_\_\_

Manufacturer and Model of flow meter you have selected \_\_\_\_\_

I have not selected a meter \_\_\_\_\_ (see IDWR approved list of magnetic flow meters at the link below)

[http://www.idwr.idaho.gov/WaterManagement/WaterMeasurement/PDFs/Approved\\_flow\\_meter\\_list.pdf](http://www.idwr.idaho.gov/WaterManagement/WaterMeasurement/PDFs/Approved_flow_meter_list.pdf)

*Please complete section #10, then sign and submit this form to the address provided.*

C. I am requesting a variance of the magnetic meter requirement: \_\_\_\_\_

Please indicate the method of measurement you wish to use and have approved:

\_\_\_\_\_ Existing operating flow meter

\_\_\_\_\_ Non-magnetic flow meter

\_\_\_\_\_ Hour Meter / Time Clock

\_\_\_\_\_ Power Consumption Coefficient (PCC)

If you are requesting a variance, you must answer the following questions:

1. If the well is used for irrigation please describe the irrigation equipment used with this well (example: center pivot with hand lines, 1/4 mile wheel lines, solid set hand lines, etc).

Do your pivot systems operate with corner machines? ☐ yes ☐ no ☐ N/A

Approximate number of acres irrigated by this well: \_\_\_\_\_ acres

2. Does the well open discharge into a pond or ditch? ☐ yes ☐ no

3. Is there a flow meter presently installed on your well? ☐ yes ☐ no

Type: \_\_\_\_\_

Manufacture: \_\_\_\_\_

Installation date: \_\_\_\_\_

Is the meter operable? ☐ yes ☐ no

4. Are there multiple pumps or power loads wired to the same electrical demand meter? ☐ yes ☐ no

If yes, how many pumps are surface water boosters that would increase the power use when the deep well is not in operation? \_\_\_\_\_

How many are in-line pressure boosters? \_\_\_\_\_

Do in-line boosters always run with the well? \_\_\_\_\_yes \_\_\_\_\_no

5. Is the additional power load due to something other than a motor/pump combination? \_\_\_\_\_yes \_\_\_\_\_no  
Pressure Changes:

Do you throttle the main well pump? \_\_\_\_\_yes \_\_\_\_\_no

Do you throttle the in-line booster pumps? \_\_\_\_\_yes \_\_\_\_\_no

Additional explanation/information regarding pump throttling or pressure changes:

6. Does the system operate with a variable frequency drive? \_\_\_\_\_yes \_\_\_\_\_no

On Well motor: \_\_\_\_\_

On Booster motor: \_\_\_\_\_

On Both: \_\_\_\_\_

7. Is the well interconnected to other wells? \_\_\_\_\_yes \_\_\_\_\_no

8. Do your cropping patterns differ under pivot systems within the same year? \_\_\_\_\_yes \_\_\_\_\_no  
(example: one pivot in potatoes, one pivot in wheat and both systems irrigated by the same well)

If yes, please describe:

9. Does the well production decrease over the irrigation season? \_\_\_\_\_yes \_\_\_\_\_no

Does pumping water level decrease over the irrigation season? \_\_\_\_\_yes \_\_\_\_\_no

If yes, approximately how much does the level decrease (in feet)? \_\_\_\_\_

If you answered YES to any of the questions #4 through #8, your system is not likely a candidate for the Power Consumption Coefficient (PCC) method of measurement. You will be required to install a flow meter.

If the system is an OPEN DISCHARGE system (answer to #2 is YES) and well production does not decrease during the irrigation season (answer to #9 is NO), then the system may use an hour meter for measurement.

10. **Required for all systems.** Please attach a diagram or photo of the wellhead and pumping plant. Include or show locations of all proposed or existing flow meters, and the locations of boosters, valves, elbows, chemigation ports, etc., and the spacing between each.

What is the pump discharge line size? \_\_\_\_\_

PLEASE PROVIDE YOUR SIGNATURE AND A CONTACT PHONE NUMBER, AND RETURN ALL FORMS BY MAY 1, 2012 TO:

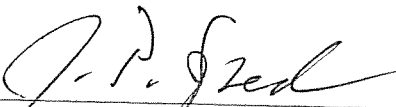
Upper Wood Rivers Water Measurement District

C/O Rob Struthers

P.O. Box 676

Picabo, ID 83348

Name/Title

  
James P. Speck, Attorney

(208) 726-4421

Phone #

8-7-12

Date



State of Idaho

DEPARTMENT OF WATER RESOURCES

322 East Front Street • P.O. Box 83720 • Boise, Idaho 83720-0098

Phone: (208) 287-4800 • Fax: (208) 287-6700 • Web Site: [www.idwr.idaho.gov](http://www.idwr.idaho.gov)

C.L. "BUTCH" OTTER

Governor

GARY SPACKMAN

Director

July 24, 2012

SAGEWILLOW LLC  
2416 PLAZA DEL GRANDE  
LAS VEGAS NV 89102

RECEIVED

JUL 26 2012

SPECK & AANESTAD

RE: APPLICATION TO LEASE WATER RIGHT NO. 37-20900 TO THE WATER SUPPLY BANK

Dear Lessor:

The Department of Water Resources has completed its review of your applications to lease the above-mentioned water right number to the Water Supply Bank. The offered water right is accepted into the Bank in accordance with the attached Water Supply Bank Lease Acceptance. If you do not agree with the conditions of the Lease Acceptance and would like to withdraw your water right from the Bank, you must contact the Department within thirty (30) days of receipt of this notification.

The right will automatically be released from the Bank on **December 31, 2017**, unless the right is released earlier by the Board, or upon request by the lessor. To change the term of the lease or to release the right from the Bank, you must submit a request in writing, along with all applicable fees, to the Department prior to the release date.

Please review the conditions of acceptance listed on the Lease Acceptance, including #3 which says, "While a right is in the bank, **the lessor may not use the right** without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B."

Contact me at (208) 287-4949 if you have any questions.

Sincerely,

Nicholas Van Dyke  
Sr. Water Resource Agent

Enclosure(s)

c: Allen Merritt – IDWR Southern Regional Office  
Jim Speck – Speck & Aanestad

STATE OF IDAHO  
DEPARTMENT OF WATER RESOURCES  
WATER SUPPLY BANK LEASE ACCEPTANCE

This is to certify that: SAGEWILLOW LLC  
2416 PLAZA DEL GRANDE  
LAS VEGAS NV 89102

has requested to lease the water right(s) listed below to the Water Supply Bank ("Bank"). The Idaho Water Resource Board ("Board") being authorized to operate a bank and to contract by and through the Director of the Idaho Department of Water Resources ("Director", "Department") the acquisition of water rights for the Board's Bank, agrees to lease the water right to the Bank as follows:

Summary of Water Rights or Portions Leased to the Bank

	Water Right	Lease Rate	Lease Volume	Acre Limit	Total Leased Acres
	37-20900	0.20 CFS	66.5 AF	NA	19.0 AC
<b>COMBINED LEASE TOTALS:</b>		0.20 CFS	66.5 AF	NA	19.0 AC

**TERM OF LEASE:**

Lease Begin Date: March 27, 2012

Expiration Date: December 31, 2017

**RENTAL AVAILABILITY:**

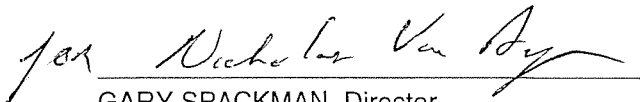
Season of Use: March 15 to November 15

**MINIMUM PAYMENT ACCEPTABLE:**

Current Rental Rate

Detailed Lease Acceptance attached.

Dated this 24<sup>th</sup> day of July, 2012

  
GARY SPACKMAN, Director  
Department of Water Resources

**WATER RIGHT NO. 37-20900**  
**WATER SUPPLY BANK LEASE ACCEPTANCE**

The water right or portion thereof leased to the bank is described as follows:

**Lessor:** SAGEWILLOW LLC  
 2416 PLAZA DEL GRANDE  
 LAS VEGAS NV 89102

**Priority Date:** 01/06/1975

**Source:** GROUND WATER

<u>BENEFICIAL USE</u>	<u>From</u>	<u>To</u>	<u>Diversion Rate</u>	<u>Volume</u>
IRRIGATION	03/15	to 11/15	0.20 CFS	66.5 AF
	<b>Total:</b>		<b>0.20 CFS</b>	<b>66.5 AF</b>

**LOCATION OF POINT(S) OF DIVERSION:**

GROUND WATER    NW¼SW¼    Sec. 16    Twp 04N    Rge 18E    BLAINE County

**PLACE OF USE TO BE IDLED UNDER THIS LEASE:** IRRIGATION

Twp	Rge	Sec	NE				NW				SW				SE				
			NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	NE	NW	SW	SE	Totals
04N	18E	16							19.0										19.0

Total Acres: 19.0

**CONDITIONS OF ACCEPTANCE**

1. The water rights referenced above will be rented from the bank at the current rental rate.
2. There is no rental payment to the lessor of the water right if the right or a part thereof is not rented from the bank.
3. While a right is in the bank, the lessor may not use the right without approval of the department even if the right is not rented from the bank. Any violation of the terms of this lease may result in enforcement procedures pursuant to Idaho Code § 42-351 for illegal diversion and use of water and may include civil penalties pursuant to Idaho Code § 42-1701B.
4. A right accepted into the bank stays in the bank until the Board releases it, the lease term expires, or upon request from the lessor to change the term of the lease.
5. While a water right is in the bank, forfeiture provisions are stayed.
6. Rental of water under this right is subject to the limitations and conditions of approval of the water right.
7. Failure of the right holder to comply with the conditions of acceptance is cause for the Director to rescind acceptance of the lease.
8. Acceptance of a right into the bank does not, in itself, confirm the validity of the right or any elements of the water right, or improve the status of the right including the notion of resumption of use. It does not preclude the opportunity for review of the validity of this water right in the ongoing Snake River Basin Adjudication or any other department application process.

**WATER RIGHT NO. 37-20900**  
**WATER SUPPLY BANK LEASE ACCEPTANCE**

**CONDITIONS OF ACCEPTANCE**

9. In accordance with Idaho Code § 42-248 and 42-1409(6), all owners of water rights are required to notify the department of any changes in mailing address or change in ownership of all or part of a water right. Notice must be provided within 120 days of the change.
10. Upon acceptance of a water right into the Board's water supply bank, the owner of the right may withdraw the right within thirty (30) days of acceptance into the bank if the owner does not agree with the conditions of acceptance.

The water right(s) is leased to the bank subject to all prior water rights and shall be administered in accordance with Idaho law and applicable rules of the Department of Water Resources.